

Hearing Date:
November 28, 2000
10:00 a.m.

Gerald C. Bender (GB-5849)
Lawrence A. First (LF-9650)
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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:	:
	: Chapter 11
	: Case Nos. 00 B 41065 (SMB)
RANDALL'S ISLAND FAMILY GOLF	: through 00 B 41196 (SMB)
CENTERS, INC., <u>ET AL.</u> ,	:
	: (Jointly Administered)
Debtors.	:
	:
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NOTICE OF HEARING WITH RESPECT TO MOTION
FOR AN ORDER PURSUANT TO SECTION 1121(d)
OF THE BANKRUPTCY CODE EXTENDING THE
EXCLUSIVE PERIODS DURING WHICH ONLY THE
DEBTORS-IN-POSSESSION MAY FILE A CHAPTER
11 PLAN OR PLANS AND SOLICIT ACCEPTANCES
OF SUCH PLAN OR PLANS

PLEASE TAKE NOTICE that, on November 15, 2000, the
above-captioned debtors and debtors-in-possession (the "Debtors")
filed with the United States Bankruptcy Court for the Southern
District of New York their motion (the "Motion") for an order,
pursuant to section 1121(d) of title 11 of the United States
Code, extending the exclusive periods during which only the
Debtors may file a chapter 11 plan or plans and solicit
acceptances of such plan or plans.

PLEASE TAKE FURTHER NOTICE that a hearing to consider the Motion and any objections thereto will be held on November 28, 2000, at 10:00 a.m., Eastern Time, before the Honorable Stuart M. Bernstein, United States Bankruptcy Judge, United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004.

PLEASE TAKE FURTHER NOTICE that the moving and any objecting parties are required to attend the hearing, and failure to attend in person or by counsel may result in the Motion being granted or denied upon default.

Dated: New York, New York
November 15, 2000

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By: /s/ Gerald C. Bender
Gerald C. Bender (GB-5849)

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Hearing Date:
November 28, 2000
10:00 a.m.

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UNITED STATES BANKRUPTCY COURT
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In re: : Chapter 11
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RANDALL'S ISLAND FAMILY GOLF : Case Nos. 00 B 41065 (SMB)
CENTERS, INC., et al., : through 00 B 41196 (SMB)
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Debtors. : (Jointly Administered)
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MOTION FOR AN ORDER PURSUANT TO SECTION
1121(d) OF THE BANKRUPTCY CODE EXTENDING
THE EXCLUSIVE PERIODS DURING WHICH ONLY
THE DEBTORS-IN-POSSESSION MAY FILE A
CHAPTER 11 PLAN OR PLANS AND SOLICIT
ACCEPTANCES OF SUCH PLAN OR PLANS

TO THE HONORABLE STUART M. BERNSTEIN,
UNITED STATES BANKRUPTCY JUDGE:

The above-captioned debtors and debtors-in-possession
(the "Debtors"), for their motion for an order pursuant to
section 1121(d) of title 11 of the United States Code (the
"Bankruptcy Code"), extending the exclusive periods during which
only the Debtors may file a chapter 11 plan or plans and solicit
acceptances of such plan or plans (the "Motion"), respectfully
state as follows:

Introduction

1. By this Motion, the Debtors seek a 90 day extension of the time within which the Debtors have the exclusive right to file a plan or plans of reorganization and to solicit acceptances of such plan or plans.

2. As this court is aware, the Debtors are in the process of effecting a management transition whereby experienced restructuring professionals will be appointed as senior officers of the Debtors. If the proposed transition is approved by the Court, this new management team will assume responsibility for the Debtors' day-to-day operations and the future course of these chapter 11 cases. As a result thereof, this new management team will work with the Debtors and their creditors to effect needed changes to the Debtors' businesses and operations and to develop a business plan which can form the basis for a chapter 11 plan of reorganization. Accordingly, an extension of the Debtors' exclusive time to file a plan and solicit acceptances of such plan is necessary and appropriate.

Background

3. On May 4, 2000 (the "Filing Date"), each of the Debtors filed with this court separate voluntary petitions for relief under chapter 11 of the Bankruptcy Code. By order of this Court dated as of the Filing Date, the Debtors' chapter 11 cases are being jointly administered. Pursuant to sections 1107 and 1108 of the Bankruptcy Code, the Debtors are continuing to

operate their businesses and manage their properties as debtors-in-possession.

4. The Debtors operate golf, ice skating and family entertainment centers throughout North America. As of the Filing Date, the Debtors owned and/or operated 100 golf facilities and 17 ice skating and family entertainment centers.

5. The Court has jurisdiction over this Motion pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A). The statutory predicate for the relief requested herein is section 1121(d) of the Bankruptcy Code.

The Exclusive Periods

6. Section 1121(b) of the Bankruptcy Code provides a debtor with the exclusive right to file a chapter 11 plan within the first 120 days of the case. Section 1121(c)(3) of the Bankruptcy Code provides that if a debtor files a plan of reorganization within its exclusive period, it has an additional 60 days to solicit acceptances, during which time competing plans may not be filed. Section 1121(d) of the Bankruptcy Code authorizes the court to extend the exclusive periods for cause.

7. On August 18, 2000 the Debtors filed a motion seeking an extension of the Debtors' time to file a plan or plans of reorganization and seek acceptance of such plan or plans. On September 1, 2000, this Court entered an order extending the Debtors' time to file a plan or plans of reorganization and to solicit acceptances of such plan or plans until November 30, 2000

and January 29, 2001, respectively. The Debtors now seek a 90 day extension of the Exclusive Periods in which to file a chapter 11 plan or plans and solicit acceptances of such plan or plans, from November 30, 2000 to and including February 28, 2001, and from January 29, 2001 to and including April 30, 2001, respectively, without prejudice to their right to seek further extensions of the Exclusive Periods.

Applicable Authority

8. Section 1121 of the Bankruptcy Code provides as follows:

(a) The debtor may file a plan with a petition commencing a voluntary case, or at any time in a voluntary case or an involuntary case.

(b) Except as otherwise provided in this section, only the debtor may file a plan until after 120 days after the date of the order for relief under this chapter.

(c) Any party in interest, including the debtor, the trustee, a creditors' committee, an equity security holders' committee, a creditor, an equity security holder, or any indenture trustee, may file a plan if and only if --

(1) a trustee has been appointed under this chapter;

(2) the debtor has not filed a plan before 120 days after the date of the order for relief under this chapter; or

(3) the debtor has not filed a plan that has been accepted, before 180 days after the date of the order for relief under this chapter, by each class of claims or interests that is impaired under the plan.

(d) On request of a party in interest made within the respective periods specified in subsections (b) and (c) of this section and after notice and a hearing, the court may for cause

reduce or increase the 120-day period or the 180-day period referred to in this section.

11 U.S.C. § 1121.

9. Although the term "cause" is not defined in the statute, the legislative history of section 1121(d) of the Bankruptcy Code indicates that "cause" is a flexible standard designed to balance the competing interests of a debtor and its creditors. See H.R. Rep. No. 595, 95th Cong., 2d. Sess. 231, 232 (1978) (bankruptcy court is given flexibility to increase the 120-day period depending on the circumstances of the case). This flexibility is intended to give the debtor an adequate opportunity to negotiate with its creditors a plan of reorganization that will be effective in rehabilitating the debtor, while recognizing creditors' rights to have substantial input into that process. See In the Matter of Newark Airport, 156 B.R. 444, 451 (Bankr. D.N.J. 1993).

10. Certain factors have been identified by courts as relevant in determining whether cause exists to extend the exclusive periods. These factors include: (i) the size and complexity of the chapter 11 case; (ii) the degree of progress that has been achieved by the debtor in the chapter 11 process; (iii) whether the debtor has, in good faith, shown progress in attempting to formulate a plan of reorganization; and (iv) whether the debtor is paying its bills as they come due. See In re McLean Indus., Inc., 87 B.R. 830, 834 (Bankr. S.D.N.Y. 1987) (identifying factors used by courts to consider whether cause exists to extend exclusivity) (citations omitted).

11. When evaluating these factors, the goal is to determine whether a debtor has had a reasonable opportunity to negotiate an acceptable plan with various interested parties and to prepare adequate financial and non-financial information concerning the ramifications of any proposed plan for disclosure to creditors. See, e.g., In re McLean, 87 B.R. at 833-34; In re Texaco, 76 B.R. 322, 326 (Bankr. S.D.N.Y. 1987). In other cases in this district, courts have granted similar exclusivity extensions on the second and third request. See, e.g., In re The Singer Co. N.V., Case Nos. 99-10578 through 99-10607 (Bankr. S.D.N.Y.) (granting third extension); In re Joan and David Helpern Inc., Case No. 00-10961 (Bankr. S.D.N.Y.) (granting second extension); In re NYEC Inc. f/k/a The Wiz, Inc., Case Nos. 97-48257 through 97-48311 (Bankr. S.D.N.Y.) (granting second extension).

Cause For the Extension

12. In this case, sufficient cause exists for the extension of the Exclusive Periods as requested by the Debtors in this Motion. The Debtors have made substantial progress in these chapter 11 cases, as evidenced in part by the sale of numerous underperforming businesses to Klak Golf, LLC and the rejection of certain unprofitable leases. In addition, the Debtors have been evaluating their properties and businesses, and are actively considering and negotiating transactions with respect to the disposition of such properties and businesses. Moreover, given the complexity of these cases, the Debtors and their professional

advisors have been required to devote significant time and effort to addressing and resolving the numerous issues raised by creditors and other parties in interest.

13. The Debtors are also in the process of effectuating a management transition, whereby experienced restructuring professionals will be appointed as senior officers of the Debtors. This management transition has been discussed and negotiated with, and is fully supported by, the Official Committee of Unsecured Creditors (the "Creditors' Committee") and The Chase Manhattan Bank ("Chase"), as administrative agent for certain lenders under the Debtors' prepetition credit facility. After completing the transition, the Debtors' new management team will evaluate the Debtors' businesses and implement strategies designed to strengthen the Debtors' core businesses. The results of these efforts will be integral to the formulation of a plan or plans of reorganization. As such, to afford incoming management the opportunity to determine what form of plan or plans are feasible, the Debtors require an extension to their Exclusive Periods.

Best Interests of the Estate

14. The objective of chapter 11 is to develop, negotiate, and confirm a plan by agreement. In that spirit, the Debtors have worked cooperatively with the Creditors' Committee and Chase to install a management team equipped with the requisite experience and skill to get the Debtors' businesses back on track and, ultimately, develop and implement a viable

plan or plans of reorganization. To allow competing plans in the midst of a management transition would impinge the ability of incoming management to execute a successful business strategy. Moreover, such a scenario could adversely affect the value of the Debtors' assets and jeopardize the recoveries to the Debtors' creditors.

15. For the reasons set forth above, it is premature for a chapter 11 plan or plans to be promulgated by the Debtors. The incoming management team needs a realistic chance to propose, negotiate, and seek acceptance of a chapter 11 plan or plans.

Notice

16. The Debtors have provided notice of this Motion to (i) the Office of the United States Trustee, (ii) Berlack, Israels & Liberman, LLP, counsel to the Official Committee of Unsecured Creditors, (iii) Morgan, Lewis & Bockius, LLP, counsel for The Chase Manhattan Bank, as administrative agent for certain lenders under the Debtors' prepetition credit facility, and (iv) all other parties who have filed a notice of appearance in these chapter 11 cases. The Debtors believe that such notice is appropriate under the circumstances of this Motion and that any additional notice would not warrant the expense. Accordingly, the Debtors respectfully request that any and all other and further notice be dispensed with and waived.

Waiver of Memorandum of Law

17. Given the nature of the relief requested in this Motion, the Debtors respectfully request that this Court dispense with and waive the requirement for submission of a memorandum of law contained in Local Rule 9013-1(b).

Prior Request

18. On August 18, 2000, the Debtors filed a motion with this Court requesting the entry of an order extending the periods during which only the Debtors may file a chapter 11 reorganization plan or plans and solicit acceptances of such plan or plans. On September 1, 2000, this Court entered an order extending the Debtors' time to file a plan or plans of reorganization and to solicit acceptances of such plan or plans until November 30, 2000 and January 29, 2001, respectively.

WHEREFORE, the Debtors respectfully request entry of an order extending the expiration of (i) the exclusive period for filing of a chapter 11 plan or plans from November 30, 2000 to and including February 28, 2001, (ii) the exclusive period for solicitation of acceptances of such plan or plans from January 29, 2001 to and including April 30, 2001, without prejudice to the Debtors' right to seek further extensions of the Exclusive

Periods, and (iii) such other and further relief as is just and proper.

Dated: New York, New York
 November 15, 2000

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ORDER PURSUANT TO SECTION 1121(d) OF
THE BANKRUPTCY CODE EXTENDING THE
EXCLUSIVE PERIODS DURING WHICH ONLY THE
DEBTORS-IN-POSSESSION MAY FILE A CHAPTER 11
PLAN OR PLANS AND SOLICIT ACCEPTANCES OF
SUCH PLAN OR PLANS

Upon the motion (the "Motion") of the above-captioned debtors and debtors-in-possession (the "Debtors"), for an order pursuant to section 1121(d) of title 11 of the United States Code extending the exclusive periods during which only the debtors-in-possession may file a chapter 11 plan or plans and solicit acceptances to such plan or plans;

And it appearing that due notice of the Motion has been given to (i) the Office of the United States Trustee, (ii) Berlack, Israels & Liberman, LLP, counsel to the Official

Committee of Unsecured Creditors, (iii) Morgan, Lewis & Bockius, LLP, counsel for The Chase Manhattan Bank, as administrative agent for certain lenders under the Debtors' prepetition credit facility, and (iv) all other parties who have filed a notice of appearance in these chapter 11 cases;

And it appearing that no other or further notice is necessary or required;

And upon the record of the hearing on this Motion held before this Court and the record of all other proceedings held to date in these chapter 11 cases;

And the Court being satisfied that the relief sought in the Motion is in the best interest of the Debtors, their estates, and their creditors;

And good and sufficient cause appearing therefor; it is hereby

ORDERED that the Debtors' exclusive period in which to file a plan of reorganization is extended to and including February 28, 2001, and it is further

ORDERED that the Debtors' exclusive period in which to solicit acceptances of the plan of reorganization is extended to and including April 30, 2001; and it is further

ORDERED that the entry of this order is without prejudice to the Debtors' right to seek such additional and further extensions of the Exclusive Periods as may be necessary or appropriate.

Dated: New York, New York
 _____, 2000

UNITED STATES BANKRUPTCY JUDGE

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